TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

April 9, 2001 LB 664

give them a better deal. I'd like to ask Senator Bromm a question along that line.

PRESIDENT MAURSTAD: Senator Bromm, would you yield to a question?

SENATOR CHAMBERS: Senator Bromm, is what I've just said some of the rationale behind this bill, since everything in it is voluntary?

SENATOR BROMM: Senator Chambers, political subdivisions do not now have the legal authority to enter into pooling arrangements. Statutorily, it's not...for health insurance...

SENATOR CHAMBERS: Um-hum.

SENATOR BROMM: ...it is not possible. So this does open up not just a competitive notion or a threat of competition but it for the first time gives political subdivisions--villages, towns, municipalities--the opportunity to get together and see whether they could be a more viable group to offer themselves as a group and purchase health insurance more competitively as a group. I think it really does have merit in that respect.

SENATOR CHAMBERS: But right now they can be self-insurers, if they choose.

SENATOR BROMM: Only...only by themselves.

SENATOR CHAMBERS: Right. And they can purchase insurance, if they choose.

SENATOR BROMM: By themselves.

SENATOR CHAMBERS: Right. And this allows them to come together. Do you think some are going to come together, or the prospect of them coming together is what is supposed to cause the insurance carriers to be more reasonable when they sell insurance, or are these subdivisions expecting to pool and become self-insurers?